



INSIDE REGION 2

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U.S. Small Business Administration
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William Manger, Jr., Regional Administrator
Region 2
New York, New Jersey, Puerto Rico/USVI



News from Region II

William Manger, Jr. Named Region 2 Administrator

SBA Administrator Hector Barreto recently announced the appointment of William Manger, Jr. as the new regional administrator for Region 2.

In this position, Manger will oversee the delivery of SBA's financial assistance, business development and counseling programs throughout New York, New Jersey, Puerto Rico and the U.S. Virgin Islands.

"Bill Manger is an excellent addition to our team," said Administrator Barreto during his announcement. "He understands the role that small businesses play in our economy and has a breadth and depth of experience that will make him an outstanding leader and an effective advocate for small businesses."

Manger worked for a small business in retail sales before working at the mortgage-backed securities sales desk at Citicorp Securities. After receiving his Masters of Business Administration, he worked at a boutique investment bank that specialized in helping small, publicly-traded companies secure additional capital for growth.

Manger's public service began in 1997 when he was elected to a seat on the village board in Southampton. In 2000, Manger worked on Congressman Rick Lazio's 2000 U.S. Senate campaign and then served President Bush as part of the Bush-Cheney 2000 Presidential Transition Team. Manger was then appointed to the Maritime Administration at the U.S. Department of Transportation where he worked on policy, legislation and the budget. He left his position as senior policy advisor at the

Transportation Department to return home to run for a seat in the U.S. House of Representatives.

Manger also serves on the board of the Riot Relief Fund, which benefits the families of New York City police officers killed in the line of duty. After September 11, 2001, the organization expanded its efforts to distribute money to families of the New York City firefighters killed in the terrorist attacks.

Manger graduated with a Bachelor of Arts in political science from Trinity College in Hartford, Connecticut. He went on to receive a Masters of Business Administration from Columbia University in New York City. Manger now resides in New York City.

Region II SBW Winners Announced

SBA Regional Administrator William Manger today announced the regional winners of SBA's annual Small Business Week awards competition.

Each of Region II's five district offices submitted their district winners for consideration in the regional Small Business Week awards competition. Region II winners will now compete against the winners in SBA's nine other regions for the national awards. National winners, as well as each state Small Business Person of the Year, will be invited to Washington, D.C. to participate in a national, 3-day celebration from April 26-28 (See Page 3).

The Region II Small Business Week winners are: (*con't*)

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Home-Based Business Award: Mr. Michael & Mrs. Mary Ann Arroyo, Sunshine & Dreams Inc., Malverne, NY; **Minority Champion:** Mr. Raymond Henry Walker, Rayben Enterprises, Inc., Slingerlands, NY; **Financial Services:** Mr. Sterling Kozlowski, HSBC Bank USA, NA, Buffalo, NY; **Small Business Exporter:** Mr. Orlando Burguera, B&B Manufacturing, Bayamon, PR; **Family-owned Business:** Mr. Rafael Castrodad Muniz, CYM Auto Parts, Inc., Caguas, PR; **Women in Business Champion:** Ms. Tracy Chamberlain Higginbotham, Five-Star Events, Syracuse, NY; **Veteran Small Business Champion:** Mr. Joseph Franklin, Schenectady, NY; **Small Business Journalist:** John (Jack) J. Connors, Business First of Buffalo, Buffalo, NY.

Buffalo Holds 9th Successful Straight Talk Program

On Saturday January 22nd, the Buffalo District office hosted the 9th Annual Straight Talk Seminar at the Erie County Community College's City Campus. In spite of daunting weather conditions, the seminar attracted upwards of 400 attendees, presenters and exhibitors. Targeting the competitively disadvantaged individuals of the Buffalo metro area, this seminar is a cooperative endeavor among SBA, Service Corps of Retired Executives (SCORE,) Urban League, Black Chamber of Commerce, NAACP, area banks, local and state economic development agencies, and city, county, state, and federal agencies.



Above: (l. to r.) Bryan Slater, SBA Deputy Associate Administrator for Intergovernmental Affairs, Reverend William Gillison of Mt. Olive Baptist Church, and SBA Buffalo District Director Franklin J. Sciortino, at the Straight Talk seminar.

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Beginning in February and continuing through April, the Buffalo District office and its resource partners are offering detailed and in depth seminars on a variety of topics related to starting and managing a business in its Straight Talk – the Series program. These seminars are being held at the Rev. Dr. Bennett W. Smith Family Life Center in downtown Buffalo, adjacent to the St. John Baptist Church, and are held from 6 till 830 PM. For more information, please call (716) 551-4305.

Puerto Rico Signs Strategic Alliance

Recently, the SBA Puerto Rico District Office entered into a Strategic Alliance Memorandum with Puerto Rico Trade, a public corporation of the Commonwealth of Puerto Rico, to increase awareness of SBA's programs and services among local small business and promote entrepreneurship.



Above: SBA District Director Carmen Ana Culpeper and Moisés Méndez, then Acting Director of PR Trade, upon signing the agreement.

Syracuse Honors Local Lenders

SBA Syracuse District Director Bernard J. Paprocki recently recognized and thanked the leading SBA lenders in central New York, the capital area and the southern tier for their effective use of SBA's loan programs to provide more small businesses with capital.

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SYRACUSE

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The SBA Syracuse Office presents awards to the top lenders in categories based on bank asset size, Large Commercial Lender-over \$10 Billion, Large Community Lender-\$1 Billion to \$10 Billion and Small Community Lender-under \$1 Billion.

For bank asset size exceeding \$10 billion, HSBC Bank led all banks in the 34-county Syracuse district with 99 SBA-backed loans valued at \$7,255,000. HSBC also topped all large commercial lenders in the 22 counties that comprise the central and capital areas of the state. For the fifth year in a row, M&T led all large commercial banks in the 12 southern tier counties with 32 loans valued at \$3,692,500.



Above: (l. to r.) Ted Glowa of Banknorth (Large Community Lender category); Joseph Bucciero and Patty Erwin of HSBC Bank (Large Commercial Lender Category); and Richard Ferguson of The Adirondack Trust Company (Small Community Lender Category), receive top lender awards from SBA Syracuse District Director Bernard J. Paprocki (right) in Albany, NY.

Banknorth outpaced all large community lenders with bank assets of \$1 billion to \$10 billion district-wide and in the capital region with 44 loans at a value of \$3,962,600. The large community lender in central New York was First Niagara Bank with 22 loans at \$3,609,161, while NBT was the large community lender in the southern tier with 16 loans at \$2,696,800.

The Adirondack Trust Company in Saratoga topped all small community lenders with bank asset size of under \$1 billion with 25 loans valued at \$1,269,100. The leading southern tier lender was Tioga State Bank with 16 loans valued at \$6,304,000. Watertown Savings Bank led central New York small community lenders with 15 loans for \$755,503.

District Highlights

Buffalo: An affiliate of the Erie County Industrial Development Agency (ECIDA), has been named a Certified Development Company (CDC) in the agency's 504 program. The official name of the CDC is **Niagara Region Certified Development Corporation**, which began operations last month....**Carlos J. Ortiz**, an economic development assistant in the Buffalo District Office, has been selected for a permanent position and promotion to **Loan Specialist** in the National Guaranty Purchase Center in Herndon, Virginia effective March 6, 2005. Congratulations, Carlos!

New York: The **Long Island Development Corporation**, one of SBA's more active certified development companies, held its **7th Annual Awards Ceremony** in February to recognize individuals, lenders and organizations from the Long Island community who have made significant contributions to the small business community. During this event, SBA Melville Branch Manager **Norman Hunte** received an award from LIDC Executive Vice President Irv Borman for "going the extra mile in serving and improving the Long Island business community." Congratulations, Norman! SBA New York District Director **José Sifontes** provided keynote remarks at the event, which attracted 150 attendees.



Above: (l. to r.) LIDC Executive Vice President Irv Borman, LIDC Executive Director Roz Goldmacher, SBA Melville Branch Manager Norman Hunte, and LIDC Chairman Doug Asofsky.

Upcoming Events

Buffalo: April 13, 2005 - The Buffalo District Office will hold its semi-annual **Advisory Council Meeting** at the HSBC Center in downtown Buffalo...May 11, 2005 - the Buffalo District Office, in conjunction with its local SCORE chapter, will host the **13th Annual Small Business Week Awards Luncheon** at the Buffalo Niagara Marriott Hotel. Nearly 400 attendees are expected.

New York: April 7, 2005 - The New York District Office will conduct its **Annual Lenders Awards Ceremony** at the Jacob Javits Federal Building at 8:30 a.m. Sixteen banks will be honored for SBA lending volume in fiscal year 2004. Over 125 NYC-area lenders attend the annual event. For more information, please call Sylvia Rivera at (212) 264-0996.

New Jersey: March 30, 2005 – SBA **Regional Administrator William Manger, Jr.** will provide remarks at a **Salute to Women Leaders & Women's History Month Celebration** at the Crystal Plaza in Livingston, New Jersey. The SBA New Jersey District Office will also participate in the event, sponsored by the New Jersey Association of Women Business Owners. For more information, please call 609-581-2121...April 22, 2005 – The New Jersey District Office and New Jersey Chamber of Commerce will co-host the 8th **Annual Small Business Conference** at the Hyatt Regency Hotel in New Brunswick, NJ. SBA's New Jersey Small Business Person of the Year award winner and District Champion award winners will be feted during the event. For more information, please call 609-989-7888.

Puerto Rico: April 1, 2005 – The Puerto Rico and Virgin Islands District Office will hold a Federal Matchmaking Conference at the Puerto Rico College of Engineers and Land Surveyors (CIAPR), to promote contracting opportunities among small firms. Contracting officers from the U.S. Coast Guard, General Services Administration (GSA), U.S. Army Corps of Engineers and the Procurement Technical Assistance Center (PTAC) of the Puerto Rico Industrial Development Company will be on hand to meet with attendees. Small firms interested in attending should call (787) 758-2250, extension 219.

New York Offers Spanish Classes

The New York District Office, in partnership with Staples, El Diario/La Prensa newspaper and Con Edison, has developed a series of Spanish language seminars designed for current business owners. The first series of 4 classes begins on March 16th in Brooklyn. The series will then rotate to other counties in the district.

Participants will learn about Sales & Customer Service, Internet Marketing, Choosing the Right Legal Structure, Taxes/Bookkeeping, Insurance, Telecommunications, Internet Security, Computers & Software and Access to Capital.

News from Washington

SBA FY 2006 Budget Provides Record \$\$\$

The SBA's fiscal year 2006 budget request of \$593 million provides a record \$22 billion in loan authority for the agency's flagship lending programs.

The budget also requests \$88 million for Small Business Development Centers, \$12 million for Women's Business Centers and \$5 million for SCORE, Counselors to America's Small Businesses.

"The SBA's fiscally responsible FY 2006 request is good for small businesses and good for the American taxpayer," said SBA Administrator Hector V. Barreto. "From a lending perspective, it builds on our successes in the past year, when we reached more small businesses, including more women and minority entrepreneurs. We also continue to strive to be efficient and innovative in our use of technology as we deliver financing, technical assistance, education, counseling and contracting programs to our clients."

As in FY 2005, the 7(a) loan guarantee program will be at a zero subsidy, meaning that the program is sustained entirely by modest fees paid by the lenders and borrowers, without requiring an appropriation of taxpayer funds.

SBA Launches Faith-Based Initiative

The SBA has created a Center for Faith-Based and Community Initiatives to help non-profit, grassroots organizations learn about and access SBA-backed programs and loans. As part of the initiative, all current technical assistance grant recipients – including SCORE, Women's Business Centers and Small Business Development Centers – have extended their programs to faith-based and other non-profit organizations that focus a significant portion of their activities on helping small businesses.

The Center is part of the SBA's implementation of the President's Faith-Based and Community Initiative, which supports the compassionate efforts of faith-based and secular grassroots organizations to improve their communities. The initiative is designed to open government programs to these organizations by ensuring the grassroots (*Continued on page 5*)

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leaders can compete on equal footing for federal dollars, receive greater private support and face fewer bureaucratic barriers. "By working more closely with faith-based and other organizations, we can advance the President's goal of bringing jobs and hope to economically distressed communities all across our nation," said SBA Administrator Hector V. Barreto. For more information on the SBA's Faith-Based and Community Initiatives, visit www.sba.gov/fbci, or contact your local SBA district office.

On-line Registration for SBA Expo '05

Small business owners, entrepreneurs and others who would like to take part in the National Small Business Week celebration in April at the U.S. Small Business Administration's *SBA Expo '05* can now register online to attend the event.

The annual celebration honoring the *National Small Business Person of the Year* will take place in Washington, D.C., April 26-28, 2005, at the Hilton Washington Hotel. It will showcase Small Business Persons of the Year winners from each state and feature a special awards ceremony for Government Procurement winners, Women in Business and the SBA's Hall of Fame recognizing successful companies that started with SBA assistance.

Business owners, business organizations and other individuals can register for *SBA Expo '05* events online at www.sba.gov/expo. Registrants who complete the process by March 24, 2005 will be given an "early bird" registration discount. March 24 is also the deadline for the conference hotel room rate at the Hilton.

SBA Releases Ed McMahon Radio Spot

A humorous, new radio public service announcement, featuring entertainer Ed McMahon, is now available from the SBA.

The 30-second spot portrays a would-be sweepstakes winner who hears her doorbell ring, sees Ed McMahon and thinks she has won something.

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In the spot McMahon tells her she can be a winner with the SBA. He advises, "Take it from me, Ed McMahon. If you are a small business owner ... or dream of being one ... the SBA has tools and services to help you. For more information call 1-800-U-ASK-SBA or log onto our Web site at www.sba.gov."

Radio stations can download the public service announcement in MP3 or wav format by logging on to the SBA Web site at www.sba.gov; click on News & Events, then Audio/Video Releases; or go there directly by clicking: <http://www.sba.gov/news/audvid.html>

Advocacy Corner

Reducing Marginal Tax Rates Increases Entrepreneurship

Reducing marginal income tax rates on entrepreneurs increases entrepreneurial entry, decreases exit from entrepreneurship, and lengthens the duration of entrepreneurial ventures, according to a study released today by the Office of Advocacy of the U.S. Small Business Administration.

The study, *Taxes and Entrepreneurial Activity: An Empirical Investigation Using Longitudinal Tax Return Data* written by Donald Bruce and Tami Gurley with funding from the Office of Advocacy, offers several specific findings including:

- A marginal tax rate reduction of one percent on entrepreneurial income increases the probability of entrepreneurial entry by 1.42 percent for single filers and 2.0 percent for married filers.
- A marginal tax rate reduction of one percent on entrepreneurial income lengthens the duration of entrepreneurial activity by 32.5 percent for single filers and 44.8 percent for married filers.

For more information and a copy of the full report, visit www.sba.gov/advo.

Inside Region 2

**William Manger, Jr., Regional Administrator
Region 2**

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Copies of Inside Region 2 are distributed free of charge to SBA resource partners, service providers, small business owners and other advocates of

small business. To request additional copies, or to be added to our mailing list, please contact Diana Parra at diana.parra@sba.gov.